

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Transportation and Economic Development Appropriations Committee

BILL: PCS/ SB 1778

INTRODUCER: Transportation and Economic Development Appropriations Committee

SUBJECT: Financial Matters/Department of Highway Safety and Motor Vehicles

DATE: March 31, 2009 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Carey	Noble	TA	Pre-meeting
2.			GO	
3.			WPSC	
4.			RC	
5.				
6.				

I. Summary:

The Proposed Committee Substitute (PCS) for Senate Bill (SB) 1778 provides statutory changes necessary to implement funding decisions included in Senate Proposed Bill (SPB) 7070 relating to the Department of Highway Safety and Motor Vehicles (department). The bill increases fees for motor vehicle licensing and registration, the issuance of driver's licenses, identification cards and driver's license reinstatements, the issuance of motor vehicle titles, and the sale of both vehicle, vessel and driver's records.

The bill has a fiscal impact and the expected revenue for Fiscal Year 2009-2010 is \$395 million.

This bill substantially amends the following sections of the Florida Statutes: 17.61, 215.20, 316.066, 316.605, 318.15, 319.23, 319.32, 319.323, 319.324, 319.33, 319.34, 320.02, 320.023, 320.025, 320.03, 320.031, 320.04, 320.05, 320.055, 320.06, 320.0607, 320.061, 320.07, 320.071, 320.08, 320.08035, 320.08046, 320.0805, 320.08056, 320.0807, 320.081, 320.084, 320.086, 320.0894, 320.10, 320.26, 320.261, 320.822, 320.824, 320.8245, 320.8249, 320.827, 320.834, 320.051, 322.081, 322.12, 322.20, 322.201, 322.21, 322.2715, 322.29 and 322.293; and repeals 320.824 and 320.8225.

II. Present Situation:

Section 322.293(1), F.S. provides that the DUI Programs Coordination Trust Fund be administered by the department and that the costs of the DUI program be supported by the fund. Revenues are derived from a \$12 assessment to persons who enroll in DUI programs. The DUI Programs trust fund is subject to a 0.3 percent service charge pursuant to s. 215.20, F.S., and interest earnings are deposited into the General Revenue Fund as required by s. 17.61

Section 316.066(4)(c), F.S., provides for fee of \$2 fee for crash reports.

Section 318.15, F.S., provides for the suspension of a driver's license where a licensee fails to pay the fine imposed for traffic infractions, attend driver improvement school, or appear at a scheduled hearing. Driver licenses are reinstated at an office of the clerk of the court; a Department of Highway Safety and Motor Vehicles (department) driver license office; or a tax collector's office providing driver license services. However, the licensee may not have his or her driver's license and privilege to drive reinstated until he or she complies with all imposed obligations and penalties and presents a certificate of compliance issued by the court along with a nonrefundable service charge of up to \$47.50. Of the charge collected by the clerk of the court or driver licensing agent, \$10 is to be deposited into the Highway Safety Operating Trust Fund.

Chapter 319, F.S. provides for fees related to certificate of titles. An application for an original or duplicate certificate of title is currently assessed a fee of \$24, which is distributed to the State Transportation Trust Fund and the General Revenue Fund. An application for a late fee title assessed for failure to file within 30 days following the transfer of a motor vehicle or mobile home is \$10, and the revenues are distributed to the General Revenue Fund. Expedited title service is provided for a fee of \$7 which allows the customer to receive same day service when applying for a title; \$2 of the expedited service title fee is deposited into the Highway Safety Operating Trust Fund.

Section 320.023(5)F.S., grants authority to the department to establish voluntary check-offs on motor vehicle registrations. Voluntary contributions must be authorized by law and distributed to an organization under an appropriation made by the Legislature. Budget authority is provided in the general appropriations act to distribute the revenues.

Section 320.03((5), F.S., provides for a 50 cents fee to be charged, in addition to the annual license tax fees provided in s. 320.08, F.S., to cover the costs of the Florida Real Time Vehicle Information System (FRVIS). Of this 50 cents fee, 25 cents must be used exclusively to fund the FRVIS.

Section 320.04(1)(a), F.S., provides for a service charge of \$1 for the issuance of each vehicle, vessel or mobile license plate validation sticker issued from an automated vending facility or a printer dispenser machine. This fee is payable to and retained by the department.

Section 320.05(3)(b)(1), F.S., provides that the fees charged and collected for lists of motor vehicle or vessel or mobile home records are not less than 1 cents nor more than 5 cents. This section also specifies that a fee is not required to be assessed when electronic access is through a tax collector's office.

Section 320.06(1)(b), F.S., provides that a registration license plate shall be issued for a six year period and the fee for replacement of the plate be \$12. Of the \$12 plate replacement fee, \$2 is paid each year before the plate is replaced and is credited towards the next \$12 replacement fee. Section 320.06(2)(b) provides for a 50 cents fee on each motor vehicle registration issued in order to treat all license plate validation stickers with retroreflective material. These revenues are deposited into the Highway Safety Operating Trust Fund.

Section 320.0607(5), F.S. provides that the cost of an original license plate is \$10 and specifies that the revenues be deposited into the Highway Safety Operating Trust Fund.

Section 320.08, F.S., provides for the annual license taxes for the operation of motor vehicles, mopeds, motorized bicycles and mobile homes which are collected by the department upon registration or a renewal of a registration. These fees vary by vehicle type and weight class. Revenues derived from the annual license tax are distributed as provided in s. 320.20, F.S.

Section 320.08046, F.S., levies on each license tax imposed under s. 320.08, F.S., a \$1 surcharge of which 58 percent is deposited into the General Revenue Fund and 42 percent is deposited into the Grants and Donations Trust Fund in the Department of Juvenile Justice.

Sections 320.0805 and 320.08056, F.S. provide for a \$2 processing fee assessed on the purchase of either a personalized prestige license plate or a specialty plate and specify that the revenue be deposited into the Highway Safety Operating Trust Fund.

Section 320.081, F.S., provides for the collection and distribution of revenues on the annual license tax imposed on mobile homes. Currently, the department collects the license tax revenues imposed on mobile homes and distributes those dollars to the local counties or cities where those units are located. Budget authority is provided in the General Appropriations Act for the distribution of the revenues.

Section 320.822(13), F.S., provides the definition of a “seal” or “label” as a device issued by the department to certify that a mobile home or recreational vehicle meets appropriate code. The seal is displayed on the exterior of the mobile home or recreational vehicle. Currently, the department is under contract with the U.S. Department of Housing and Urban Development (HUD) for the inspection of mobile homes and recreational vehicles to ensure that the units meet appropriate code.

Section 320.8245(3) and (4), F.S., provides that the department may adopt rules that define the alterations or modifications that must be made by qualified personnel. These are limited to alterations or modifications that substantially impair the structural integrity or safety of the unit. In addition, the department is authorized to adopt by rule, the skills and competency requirements that are required for certification as a qualified person

Section 320.827, F.S., grants the department the authority to issue “labels”, when applied for a certified dealer or manufacturer, to certify that a mobile home or recreational vehicle meets or exceeds appropriate code.

Section 320.8255, F.S., grants the department the authority to conduct in-plant inspections of mobile homes to ensure the quality of construction and provides rulemaking authority for the enforcement of the inspections. Department inspectors are required to make unannounced visits to manufacturing plants to ensure compliance with building codes. Mobile home manufacturers are charged a fee for inspections which are established by the department in order to cover the cost of the inspections and administration. The fees collected are deposited into the General Revenue Fund.

Section 320.827, F.S., grants the department the authority to issue an insignia of approval. Currently, the department issues a “label” to manufacturers or dealers, that when attached to a mobile home certifies that the mobile home meets or exceeds the appropriate code. Manufacturers and dealers apply for the label with an affidavit certifying that no label will be attached to any new mobile home that does not meet or exceed code. This section also creates language to require that mobile homes bearing a label and certification must meet or exceed the code of the HUD.

Section 320.834, F.S., provides legislative intent to ensure the safety and welfare of residents of mobile homes through a mobile home inspections program conducted by the department.

Section 322.081, F.S., grants the department the authority establish voluntary check-offs on drivers license applications. Voluntary contributions must be authorized by law and distributed to an organization under an appropriation made by the Legislature. Budget authority is provided in the General Appropriations for the distribution of the revenues.

Section 322.20(9) and (11), F.S., establishes the fee for driver’s license records. The current fee for a list of names, addresses and birth dates of licensed drivers is 1 cent. Subsection (11) establishes the fee for driver history records as \$2.10 for a 3 year history and \$3.10 for a 7 year history. A certified copy of a driver history record is \$3.10.

Section 322.21, F.S., provides for driver’s license fees and the process for handling and collecting. The current fees for driver’s licenses and driver’s license reinstatements are: an original or renewal commercial driver’s license is \$67; an original Class E is \$27; a renewal Class E is \$20; a replacement driver’s license is \$10; an original, replacement or renewal identification card is \$10; reinstatement following a suspension is \$35; reinstatement following a revocation is \$60; and an suspension for a refusal to submit to a lawful breath, blood, or urine test is \$115.

III. Effect of Proposed Changes:

Section 1 terminates the DUI Programs Coordination Trust Fund in the Department of Highway Safety and Motor Vehicles.

Sections 2 and 3 amends s. 17.61 and 215.20 to delete the DUI Programs Coordination Trust Fund from the trust funds that transfers interest earnings to the General Revenue Fund and from the list of trust funds subject to the 0.3 percent General Revenue service charge.

Section 4 amends 316.066, F.S. to increase the fee for a public record of a crash report from \$2 to \$10.

Section 5 amends 316.605, F.S., to delete references to “registration decal” to conform to changes made in the bill.

Section 6 amends 318.15, F.S., to increase the penalty assessed for failure to pay the fine imposed for traffic infractions, attend driver improvement school, or appear at a scheduled

hearing. The penalty is increased from \$47.50 to \$60 and specifies the additional revenue be directed to the Highway Safety Operating Trust Fund. This section also specifies that if the charge is collected by the clerk of the court or driver licensing agent that the \$12.50 increase is to be deposited into the Highway Safety Operating Trust Fund.

Section 7 amends s. 319.23, F.S., to increase the current \$10 fee assessed for failure to file an application for a certificate of title for the transfer of a motor vehicle or mobile home within 30 days of delivery to \$15.

Section 8 amends s. 319.32, F.S., to increase the fee for the application of an original or duplicate certificate of title from \$24 to \$40. This section also establishes a \$20 fee for the reinspection of rebuilt title applications to be assessed for a vehicle that is required to have a physical examination.

Sections 9 and 10 amend ss. 318.323 and 318.324, F.S., to increase the \$7 fee assessed for expedited service on a title transfers to \$10 specifies that \$3 increase be deposited into the Highway Safety Operating Trust

Sections 11, 12 and 13 amend ss. 319.33, 319.34 and 320.02, F.S., to delete references to decals, stickers and revalidation stickers to conform to other changes made in the bill.

Section 14 amends s. 320.023, F.S., to provide that the collection of voluntary contributions on motor vehicle registration applications must deposited into and distributed from the Motor Vehicle License Clearing Trust Fund to the recipients specified in ch.320, F.S.

Section 15 amends s. 320.025 to delete references to “decal” to conform to other changes made in the bill.

Section 16 amends s. 320.03(5), F.S., to increase the 50 cents for the Florida Real Time Vehicle Information System (FRVIS) to \$1 and specifies that 50 cents be used exclusively to FRVIS operations. This section also deletes references to “validation stickers “and “stickers” to conform to other changes made in the bill, and adds clarifying language to specify that decals will continue to be issued on mobile homes.

Section 17 amends s. 320.031, F.S., to delete references to “Validation stickers” to conform to other changes made in the bill.

Section 18 amends s. 320.04, F.S., to increase a service charge of \$1 to \$3 for the issuance of a registration receipt for a vehicle, vessel or mobile home registration and specifies that \$2 be deposited into the General Revenue Fund. Current law provides for a \$1 service charge payable to and retained by the department to provide for automated vending facilities or printer dispenser machines used to dispense validation stickers. Validation stickers are eliminated as part of a reduction issue in the SPB 7070.

Section 19 amends s. 320.05, F.S. to increase the fee for lists of motor vehicle or vessel records from not less than 1 cent nor more than 5 cents to 5 cents.

Section 20 amends s. 320.055, F.S., to delete a reference to “validation sticker” to conform to other changes made in the bill.

Section 21 amends 320.06, F.S., to increase the fee for a registration license plate from \$12 to \$25 and to extend the issuance period of a six year to a 10 year period. This section also increases the current annual replacement fee of \$2 to \$2.50 which is credited towards the next \$25 replacement fee. In addition, this section establishes materials processing fee of \$2 and specifies that \$1.50 be deposited into the General Revenue Fund and \$.50 be deposited to the Highway Safety Operating Trust Fund. A 50 cents fee assessed for treating validation stickers with retroreflectivity material is eliminated.

Section 22 amends s. 320.0607(5), F.S., to increase the cost of an original license plate from \$10 to \$25 and specifies that the revenue be deposited into the Highway Safety Operating Trust Fund. This section also deletes references to validation stickers, decals and stickers to conform to other changes made in the bill and clarifies that decals will continue to be issued for mobile homes.

Sections 23, 24 and 25 amends ss. 320.061, 320.07 and 320.071, F.S., respectively, to delete references to validation sticker, stickers and decals to conform to other changes made in the bill and to clarify that decals will continue to be issued for mobile homes.

Section 26 amends s. 320.08, F.S., to increase the annual license tax imposed for the operation of motor vehicles, mopeds, motorized bicycles, recreational vehicle type units and motor vehicles for hire based, excluding mobile homes, on the weight class of the vehicle and to specify the rate assessed on a dealer or manufacturer, exempt or official, and a transporter license plate. The flat rate imposed on vehicles by weight class is increased by 10 percent and specifies that the additional revenue will be deposited into the General Revenue Fund.

Section 27 amends s. 320.08035, F.S., to conform a cross reference.

Section 28 amends s. 320.08046, F.S., to increase the surcharge on each license plate imposed under s. 320.08, F.S., excluding mobile homes. This section increases the surcharge to \$5, and directs \$4.50 to the General Revenue Fund and 50 cents to the Grants and Donations in the Department of Juvenile Justice.

Sections 29 and 30 amend s. 320.0805, and 320.08056, F.S., respectively, to increase the processing fee for both personalized and specialty license plates from \$2 to \$5 and to specify that the additional revenue be deposited into the General Revenue Fund.

Section 31 amends s. 320.0807, F.S., to conform a cross reference.

Section 32 amends s. 320.081, F.S., to clarify the collection and distribution of revenues on the annual license tax imposed on mobile homes. Currently, the department collects the license tax revenues imposed on mobile homes and distributes those dollars to the local counties or cities where those units are located. This language will allow the department to continue to collect and distribute those revenues as non-operating dollars without specific budget authority in the

General Appropriations Bill. This will reduce the department's operating budget by \$20.6 million annually.

Sections 33, 34, 35, 36 37 and 38, F.S., respectively, amend ss. 320.084, 320.086, 320.0894, 320.10, 320.26 and 320.261, F.S., to delete references to "sticker" and "validation sticker" to conform to other changes made in the bill. This section also adds language to clarify that decals will continue to be issued for mobile homes.

Section 39 amends s. 320.822, F.S., to delete the definition of a "seal" or "label" certifying that a mobile home or recreational vehicle meets appropriate code. SPB 7070 eliminates the Mobile Home and Compliance and Enforcement inspections program. The reduction eliminates 13 FTE and \$806,000 and will require the HUD to contract with private individuals or entities to provide the in plant inspection of mobile homes and recreational vehicles.

Section 40 amends 320.824, F.S., is repealed. Current law provides authority for the department to adopt by rule changes that are adopted and officially published by HUD. It also provides the authority for the department or its representative to provide in plant inspections.

Section 41 amends 320.8245, F.S., to delete language providing the department the authority to adopt rules defining the alterations or modifications to mobile homes that require qualified personnel, and the authority to adopt by rule the skills and competency requirements required for certification as a qualified person. Currently, the department may adopt rules that define the alterations or modifications that must be made by qualified personnel. These are limited to alterations or modifications that substantially impair the structural integrity or safety of the unit. In addition, the department is authorized to adopt by rule, the skills and competency requirements that are required for certification as a qualified person.

Section 42 amends s. 320.8249, F.S., to conform a cross reference.

Section 43 repeals s. 320.8255, F.S. Current law provides authority for the department to provide for in plant inspections of mobile homes to ensure the quality of construction and provides rulemaking authority for the enforcement of the inspections. Department inspectors are required to make unannounced visits to manufacturing plants to ensure compliance with building codes. Mobile home manufacturers are charged a fee for inspections which are established by the department in order to cover the cost of the inspections and administration. The fees collected are deposited into the General Revenue Fund.

Section 44 amends s. 320.827, F.S., to delete language relating to the department insignia of approval. Currently, the department issues a "label" to manufacturers or dealers, that when attached to a mobile home certifies that the mobile home meets or exceeds the appropriate code. Manufacturers and dealers apply for the label with an affidavit certifying that no label will be attached to any new mobile home that does not meet or exceed code. This section also creates language to require that mobile homes bearing a label and certification must meet or exceed the code of the United States Department of Housing and Urban Development.

Section 45 amends s. 320.834, F.S., to provide legislative intent to ensure the safety and welfare of mobile home residents through a licensing program administered by the department. Current law provides for an inspection program administered by the department.

Further intent is that the mobile manufacturers and dealers to meet code requirements and that those manufacturers and dealers share the responsibility of warranting mobile homes. Current law provides that the department, through the inspections program, share the responsibility of warranting mobile homes.

Section 46 amends s. 322.051, F.S., to provide that duplicate identification card may be obtained upon payment of the fee provided in s. 322.21, F.S.

Section 47 amends s. 322.081, F.S., to require that voluntary contributions on driver's license applications be deposited into and distributed from the Motor Vehicle License Clearing Trust Fund to the recipients specified in chapter 322, F.S. This language will allow the department to continue to collect and distribute those revenues as non-operating dollars eliminating the budget authority provided in the general appropriations bill.

Section 48 amends s. 322.12, F.S., to increase the fee for both the driver's license knowledge and skill re-examinations. The knowledge examination is increased from \$5 to \$10, and the skills examination is increased from \$10 to \$20. Currently, a knowledge and skills exam is required when applying for an original Class E driver's license, and there are no costs associated with the examinations. However, if an applicant fails to pass either the knowledge or skills exam, a fee is charged for the re-examination.

Section 49 amends s. 322.20, F.S., to increase the fee for obtaining driver history records from \$2.10 for a 3 year history, and \$3.10 for a 7 year history to \$10 for either a 3 or 7 year driver history record. This section also increases the fee for furnishing driver's lists from the records of the Division of Driver Licenses from 1 cent to 5 cents.

Section 50 amends s. 322.201, F.S., to eliminate the requirement records of evidence be certified by a machine imprint of the department of the clerk of the court.

Section 51 amends s. 322.21, F.S., to increase the fee for both original and renewal driver's licenses, identification cards, driver's license delinquent fee, and driver's license reinstatement.

The bill provides for the following increases:

Original or Renewal Commercial Driver's License \$67 to \$75

Original Class E \$27 - \$35

Renewal Class E \$20 - \$28

Delinquent Fee \$1 - \$10

Original Driver's License/Motorcycle \$27 - \$35

Replacement Driver's License \$10 - \$20

Original/Renewal/Replacement ID Card \$10 - \$11

Reinstatement of Driver's License/Suspension \$35 - \$45

Reinstatement of Driver's License/Revocation \$60 - \$75

DUI Administrative Fee \$115 - \$130

This section also establishes a \$25 fee for an administrative review following a driver's license suspension authorized in ss. 322.222, 322.2615, 322.2616, 322.27 or 322.64, F.S., and a \$12.00 fee for a hearing authorized in s. 322.271, F.S. and specifies that the revenues be deposited in the Highway Safety Operating Trust Fund. Currently, the Bureau of Administrative Reviews in the Division of Driver's Licensing conducts formal administrative reviews for customers who are contesting an administrative driver's license suspension for refusal to submit to a breath or blood alcohol test or for driving with an unlawful alcohol level. The department conducted 23,068 formal reviews in 2008 at an average cost of \$20.46 based on direct labor hours. The department also conducts informal reviews when customers petition the department for limited driving privileges when the license has been suspended due to a sanction. The department conducted 42,008 hearings in 2008 at an average cost of \$10.23 based on direct labor hours.

Section 52 amends s. 322.2715, F.S., to provide that in addition to any fee authorized by rule for the installation and maintenance of the ignition interlock device, the authorized installer must collect and remit \$12 for each installation to the department to be deposited into the Highway Safety Operating Trust Fund to be used for the operation of the Ignition Interlock Device Program.

Section 53 amends s. 322.29, F.S., to increase the nonrefundable service charge for a driver's license reinstatement from \$47.50 to \$60, and to specify the additional \$12.50 fee increase is to be deposited into the Highway Safety Operating Trust Fund. This section also clarifies that the service fee is not required if the person is required to pay the fees required under s. 322.21, F.S.

Section 54 amends s. 322.293, F.S., to delete a reference to the DUI Programs Coordination Trust Fund and to provide that the DUI Program be administered by the department and that revenues collected be deposited into the Highway Safety Operating Trust Fund.

Section 55 provides an effective date of September 1, 2009.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

This bill increases fees imposed on motor vehicle registration, certificates of title, drivers licenses and identification cards, drivers license examinations, driver’s license reinstatements following a suspension, and motor vehicle and driver’s license list and driver history records.

The bill increases the following fees:

	Current Fee	New Fee	FY 09-10 Est. Rev
<u>Data Records</u>			
Crash Reports	\$2	\$10	\$1.8 m
Driver History 3 Yr	\$2.10	\$10	
Driver History 7 Yr	\$3.10	\$10	\$75.2 m
Driver License Elect. Lists.	1 cent	5 cents	\$1.3 m
Vehicle/Vessel Elect. Lists	1–5 cents	5 cents	\$2.8 m
<u>Title Fees</u>			
Original or Duplicate Title	\$24	\$40	\$57.4 m
Expedited Title	\$7	\$10	\$2.2 m
Application for Late Title	\$10	\$15	
Reinspection of Rebuilt Title	\$0	\$20	\$.1 m
<u>Vehicle Registration</u>			
Annual License Tax	Variable	10% Inc.	\$46.2 m
General Revenue Surcharge	\$1	\$5	\$60.6 m
Specialty/Personalized Lic. Plate	\$2	\$5	\$4.9 m
Original License Plate (10 Year)	\$12	\$25	\$24.4 m
FRVIS	50 cents	\$1	\$8.9 m
Registration Certificate	\$1	\$3	\$31.5
Materials Processing	50 cents	\$2	\$23 m
<u>Drivers Licenses Fees</u>			
Licenses and ID Cards	\$27/\$67/\$10	\$35/\$75/\$11	
License Reinstatements	\$35/\$47.50/\$115	\$45/\$60/\$130	
Rexaminations Skills/Knowledge	\$5/10	\$10/\$20	
Administrative Reviews	\$0	\$12/\$25	\$.6 m
Ignition Interlock Installation	\$0	\$12	\$

B. Private Sector Impact:

Private individuals will be assessed a higher fee when making purchases related to motor vehicle registration, certificates of title, drivers licenses and identification cards, drivers license examinations, driver’s license reinstatements following a suspension. Private individuals and for profit companies will pay a higher fee for the purchase of motor vehicle and driver’s license list and driver history records.

C. Government Sector Impact:

The bill has an effective date of September 1, 2009 and the expected revenue for Fiscal Year 2009-2010 is \$395million.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.